

these companies, and even a single instance of piracy could drive them out of business. What's more, without adequate international protection, these companies would simply be unable to compete in the global marketplace.

That is why we enacted a number of measures last year to provide enhanced protection for intellectual property in the new global, high-tech environment. For example, the Digital Millennium Copyright Act (DMCA) implemented two new World Intellectual Property Organization Treaties setting new global standards for copyright protection in the digital environment. We also paved the way for new growth in online commerce by providing a copyright framework in which the Internet and other new technologies can flourish.

This year, Senator LEAHY and I are continuing to focus our attention on important high-tech and intellectual property legislation. The bills we are considering today will build upon existing protections, including last year's measures to deter digital piracy, by raising the Copyright Act's limit on statutory damages to make it more costly to engage in cyber-piracy and copyright theft. They will also make technical "clean-up" amendments to the DMCA and other Copyright Act provisions to make them clearer and more user-friendly. On the trademark side, these bills will make the protection of famous marks easier and more efficient and provide recourse for trademark owners against the federal government for trademark infringement. Finally, these bills will allow the Patent and Trademark Office to better serve its customers—America's innovators and trademark owners—through the collection and retention of fees.

Each of these bills is noncontroversial and enjoys widespread support. I want to thank Senator LEAHY for his assistance, cooperation, and leadership in this process, and I look forward to the Senate swiftly passing these bills today.

Mr. GORTON. I ask unanimous consent that the bill be considered read a third time and passed and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1257) was considered read the third time and passed, as follows:

S. 1257

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Digital Theft Deterrence and Copyright Damages Improvement Act of 1999".

#### SEC. 2. STATUTORY DAMAGES ENHANCEMENT.

Section 504(c) of title 17, United States Code, is amended—

- (1) in paragraph (1)—
  - (A) by striking "\$500" and inserting "\$750"; and
  - (B) by striking "\$20,000" and inserting "\$30,000"; and
- (2) in paragraph (2)—

- (A) by inserting "(A)" after "(2)";
- (B) by striking "\$100,000" and inserting "\$150,000";

(C) by inserting after the second sentence the following:

"(B) In a case where the copyright owner demonstrates that the infringement was part of a repeated pattern or practice of willful infringement, the court may increase the award of statutory damages to a sum of not more than \$250,000 per work."; and

(D) by striking "The court shall remit statutory damages" and inserting the following:

"(C) The court shall remit statutory damages".

#### PATENT FEE INTEGRITY AND INNOVATION PROTECTION ACT OF 1999

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 193, S. 1258.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1258) to authorize funds for the payment of salaries and expenses of the Patent and Trademark Office, and for other purposes.

There being no objection, Senate proceeded to consider the bill.

Mr. GORTON. I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1258) was considered read the third time and passed, as follows:

S. 1258

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Patent Fee Integrity and Innovation Protection Act of 1999".

#### SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be made available for the payment of salaries and necessary expenses of the Patent and Trademark Office in fiscal year 2000, \$116,000,000 from fees collected in fiscal year 1999 and such fees as are collected in fiscal year 2000 pursuant to title 35, United States Code, and the Trademark Act of 1946 (15 U.S.C. 1051 et seq.), except that the Commissioner is not authorized to charge and collect fees to cover the accrued indirect personnel costs associated with post-retirement health and life insurance of officers and employees of the Patent and Trademark Office other than those charged and collected pursuant to title 35, United States Code, and the Trademark Act of 1946.

#### SEC. 3. EFFECTIVE DATE.

This Act shall take effect on October 1, 1999.

#### TRADEMARK AMENDMENTS ACT OF 1999

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 195, S. 1259.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1259) to amend the Trademark Act of 1946 relating to the dilution of famous marks, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. GORTON. I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1259) was considered read the third time and passed, as follows:

S. 1259

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Trademark Amendments Act of 1999".

#### SEC. 2. DILUTION AS A GROUNDS FOR OPPOSITION AND CANCELLATION.

(a) REGISTARABLE MARKS.—Section 2 of the Act entitled "An Act to provide for the registration and protection of trade-marks used in commerce, to carry out the provisions of certain international conventions, and for other purposes" (in this Act referred to as the "Trademark Act of 1946") (15 U.S.C. 1052) is amended by adding at the end the following flush sentences: "A mark which when used would cause dilution under section 43(c) may be refused registration only pursuant to a proceeding brought under section 13. A registration for a mark which when used would cause dilution under section 43(c) may be canceled pursuant to a proceeding brought under either section 14 or section 24.".

(b) OPPOSITION.—Section 13(a) of the Trademark Act of 1946 (15 U.S.C. 1063(a)) is amended in the first sentence by inserting ", including as a result of dilution under section 43(c)," after "principal register".

(c) PETITIONS TO CANCEL REGISTRATIONS.—Section 14 of the Trademark Act of 1946 (15 U.S.C. 1064) is amended in the matter preceding paragraph (1) by inserting ", including as a result of dilution under section 43(c)," after "damaged".

(d) CANCELLATION.—Section 24 of the Trademark Act of 1946 (15 U.S.C. 1092) is amended in the second sentence by inserting ", including as a result of dilution under section 43(c)," after "register".

(e) EFFECTIVE DATE AND APPLICATION.—The amendments made by this section shall take effect on the date of enactment of this Act and shall apply only to any application for registration filed on or after January 16, 1996.

#### SEC. 3. REMEDIES IN CASES OF DILUTION OF FAMOUS MARKS.

(a) INJUNCTIONS.—(1) Section 34(a) of the Trademark Act of 1946 (15 U.S.C. 1116(a)) is amended in the first sentence by striking "section 43(a)" and inserting "subsection (a) or (c) of section 43".

(2) Section 43(c)(2) of the Trademark Act of 1946 (15 U.S.C. 1125(c)(2)) is amended in the first sentence by inserting "as set forth in section 34" after "relief".

(b) DAMAGES.—Section 35(a) of the Trademark Act of 1946 (15 U.S.C. 1117(a)) is amended in the first sentence by striking "or a violation under section 43(a)," and inserting "a violation under section 43(a), or a willful violation under section 43(c)."

(c) DESTRUCTION OF ARTICLES.—Section 36 of the Trademark Act of 1946 (15 U.S.C. 1118) is amended in the first sentence—

- (1) by striking "or a violation under section 43(a)," and inserting "a violation under

section 43(a), or a willful violation under section 43(c)."; and

(2) by inserting after "in the case of a violation of section 43(a)" the following: "or a willful violation under section 43(c)".

(d) EFFECTIVE DATE AND APPLICATION.—The amendments made by this section shall take effect on the date of enactment of this Act and shall not apply to any civil action pending on such date of enactment.

#### SEC. 4. LIABILITY OF GOVERNMENTS FOR TRADE-MARK INFRINGEMENT AND DILUTION.

(a) CIVIL ACTIONS.—Section 32 of the Trademark Act of 1946 (15 U.S.C. 1114) is amended in the last undesignated paragraph in paragraph (1)—

(1) in the first sentence by inserting after "includes" the following: "the United States, all agencies and instrumentalities thereof, and all individuals, firms, corporations, or other persons acting for the United States and with the authorization and consent of the United States, and"; and

(2) in the second sentence by striking "Any" and inserting "The United States, all agencies and instrumentalities thereof, and all individuals, firms, corporations, other persons acting for the United States and with the authorization and consent of the United States, and any".

(b) WAIVER OF SOVEREIGN IMMUNITY.—Section 40 of the Trademark Act of 1946 (15 U.S.C. 1122) is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by striking "SEC. 40. (a) Any State" and inserting the following:

"SEC. 40. (a) WAIVER OF SOVEREIGN IMMUNITY BY THE UNITED STATES.—The United States, all agencies and instrumentalities thereof, and all individuals, firms, corporations, other persons acting for the United States and with the authorization and consent of the United States, shall not be immune from suit in Federal or State court by any person, including any governmental or nongovernmental entity, for any violation under this Act.

"(b) WAIVER OF SOVEREIGN IMMUNITY BY STATES.—Any State"; and

(3) in the first sentence of subsection (c), as so redesignated—

(A) by striking "subsection (a) for a violation described in that subsection" and inserting "subsection (a) or (b) for a violation described therein"; and

(B) by inserting after "other than" the following: "the United States or any agency or instrumentality thereof, or any individual, firm, corporation, or other person acting for the United States and with authorization and consent of the United States, or".

(c) DEFINITION.—Section 45 of the Trademark Act of 1946 (15 U.S.C. 1127) is amended by inserting between the 2 paragraphs relating to the definition of "person" the following:

"The term 'person' also includes the United States, any agency or instrumentality thereof, or any individual, firm, or corporation acting for the United States and with the authorization and consent of the United States. The United States, any agency or instrumentality thereof, and any individual, firm, or corporation acting for the United States and with the authorization and consent of the United States, shall be subject to the provisions of this Act in the same manner and to the same extent as any nongovernmental entity."

#### SEC. 5. CIVIL ACTIONS FOR TRADE DRESS INFRINGEMENT.

Section 43(a) of the Trademark Act of 1946 (15 U.S.C. 1125(a)) is amended by adding at the end the following:

"(3) In a civil action for trade dress infringement under this Act for trade dress not

registered on the principal register, the person who asserts trade dress protection has the burden of proving that the matter sought to be protected is not functional."

#### SEC. 6. TECHNICAL AMENDMENTS.

(a) ASSIGNMENT OF MARKS.—Section 10 of the Trademark Act of 1946 (15 U.S.C. 1060) is amended—

(1) by striking "subsequent purchase" in the second to last sentence and inserting "assignment";

(2) in the first sentence by striking "mark," and inserting "mark."; and

(3) in the third sentence by striking the second period at the end.

(b) ADDITIONAL CLERICAL AMENDMENTS.—The text and title of the Trademark Act of 1946 are amended by striking "trade-marks" each place it appears and inserting "trade-marks".

#### TECHNICAL CORRECTIONS IN TITLE 17, UNITED STATES CODE

Mr. GORTON. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 196, (S. 1260).

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1260) to make technical corrections in title 17, United States Code, and other laws.

There being no objection, the Senate proceeded to consider the bill.

Mr. GORTON. I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1260) was considered read the third time and passed, as follows:

S. 1260

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. TECHNICAL CORRECTIONS TO TITLE 17, UNITED STATES CODE.

(a) EXEMPTION OF CERTAIN PERFORMANCES AND DISPLAYS ON EXCLUSIVE RIGHTS.—Section 110(5) of title 17, United States Code, is amended—

(1) by striking "(A) a direct charge" and inserting "(i) a direct charge"; and

(2) by striking "(B) the transmission" and inserting "(ii) the transmission".

(b) EPHEMERAL RECORDINGS.—Section 112(e) of title 17, United States Code, is amended—

(1) by redesignating paragraphs (3) through (10) as paragraphs (2) through (9), respectively;

(2) in paragraph (3), as so redesignated, by striking "(2)" and inserting "(1)";

(3) in paragraph (4), as so redesignated—

(A) by striking "(3)" and inserting "(2)";

(B) by striking "(4)" and inserting "(3)";

(C) by striking "(6)" and inserting "(5)"; and

(D) by striking "(3) and (4)" and inserting "(2) and (3)"; and

(4) in paragraph (6), as so redesignated—

(A) by striking "(4)" each place it appears and inserting "(3)"; and

(B) by striking "(5)" each place it appears and inserting "(4)".

(c) DETERMINATION OF REASONABLE LICENSE FEES FOR INDIVIDUAL PROPRIETORS.—Chapter 5 of title 17, United States Code, is amended—

(1) by redesignating the section 512 entitled "**Determination of reasonable license fees for individual proprietors**" as section 513 and placing such section after the section 512 entitled "**Limitations on liability relating to material online**"; and

(2) in the table of sections at the beginning of that chapter by striking

"512. Determination of reasonable license fees for individual proprietors."

and inserting

"513. Determination of reasonable license fees for individual proprietors."

and placing that item after the item entitled "512. Limitations on liability relating to material online."

(d) ONLINE COPYRIGHT INFRINGEMENT LIABILITY.—Section 512 of title 17, United States Code, is amended—

(1) in subsection (e)—

(A) by amending the caption to read as follows:

"(e) LIMITATION ON LIABILITY OF NONPROFIT EDUCATIONAL INSTITUTIONS.—"; and

(B) in paragraph (2), by striking "INJUNCTIONS.—"; and

(2) in paragraph (3) of subsection (j), by amending the caption to read as follows:

"(3) NOTICE AND EX PARTE ORDERS.—";

(e) INTEGRITY OF COPYRIGHT MANAGEMENT INFORMATION.—Section 1202(e)(2)(B) of title 17, United States Code, is amended by striking "category or works" and inserting "category of works".

(f) PROTECTION OF DESIGNS.—(1) Section 1302(5) of title 17, United States Code, is amended by striking "1 year" and inserting "2 years".

(2) Section 1320(c) of title 17, United States Code, is amended in the subsection caption by striking "ACKNOWLEDGEMENT" and inserting "ACKNOWLEDGMENT".

(g) MISCELLANEOUS CLERICAL AMENDMENTS.—

(1) Section 101 of title 17, United States Code, is amended—

(A) by transferring and inserting the definition of "United States work" after the definition of "United States"; and

(B) in the definition of "proprietor", by striking "A 'proprietor'" and inserting "For purposes of section 513, a 'proprietor'".

(2) Section 106 of title 17, United States Code, is amended by striking "120" and inserting "121".

(3) Section 118(e) of title 17, United States Code, is amended—

(A) by striking "subsection (b)." and all that follows through "Owners" and inserting "subsection (b). Owners"; and

(B) by striking paragraph (2).

(4) Section 119(a)(8)(C)(ii) of title 17, United States Code, is amended by striking "network's station" and inserting "network station's".

(5) Section 501(a) of title 17, United States Code, is amended by striking "118" and inserting "121".

(6) Section 511(a) of title 17, United States Code, is amended by striking "119" and inserting "121".

#### SEC. 2. OTHER TECHNICAL CORRECTIONS.

(a) CLERICAL AMENDMENT TO TITLE 28, U.S.C.—The section heading for section 1400 of title 28, United States Code, is amended to read as follows:

"§ 1400. Patents and copyrights, mask works, and designs".

(b) ELIMINATION OF CONFLICTING PROVISION.—Section 5316 of title 5, United States Code, is amended by striking "Commissioner of Patents, Department of Commerce."

(c) CLERICAL CORRECTION TO TITLE 35, U.S.C.—Section 3(d) of title 35, United States Code, is amended by striking ", United States Code".